

Town of Norwich, Vermont



CHARTERED 1761

**TOWN OF NORWICH, VERMONT
CONFLICT OF INTEREST POLICY**

Article 1. Authority. Under the authority granted in 24 VSA §2291(20), the Selectboard of the Town of Norwich hereby adopts the following policy concerning conflicts of interest applying to all elected and appointed Public Officers of the Town, including members of all Town committees and boards.

Article 2. Purpose. The purpose of this policy is to ensure that the business of this municipality will be conducted in such a way that no Public Officer of the municipality will gain a personal or financial advantage from his or her work for the municipality and so that the public trust in its Public Officers and public bodies will be preserved. It is also the intent of this policy to encourage all decisions made by municipal officials to be based on the best interest of the community at large. This policy further seeks to promote transparency as the best protection against the threats posed to good governance by real and perceived conflicts of interest.

Article 3. Definitions. For the purposes of this policy, the following definitions shall apply:

A. **Conflict of interest** means any of the following:

1. A significant direct personal or financial interest of a Public Officer, or of an immediate family member, business associate, employer, or employee of the official, in the discretionary outcome of a cause, proceeding, application, or any other decision pending before the official or before the agency or public body in which the official holds office or is employed. "Conflict of interest" does not arise in the case of votes or decisions on matters in which the Public Officer has a personal or financial interest in the outcome, such as in the establishment of a tax rate, that is no greater than that of other persons generally affected by the decision, in cases where a decision or act is not subject to the discretion of the official or the body of which he or she is a part, or where such personal or financial interest is *de minimis*;
2. A situation where a public officer has publicly displayed a prejudgment of the merits of a particular quasi-judicial proceeding. This shall not apply to a member's particular political views or general opinion on a given issue; and

3. A situation where a public officer has engaged in *ex parte* communications with a party in a quasi-judicial proceeding that is before the public body to which that public officer belongs.
- B. **Emergency** means an imminent threat or peril to the public health, safety and welfare.
- C. **Ex parte communication** means direct or indirect communication between a member of a public body and any party, party's representative, party's counsel, or any person interested in the outcome of a quasi-judicial proceeding that occurs outside the proceeding and concerns the substance or merits of the proceeding.
- D. **Official act or action** means any legislative, administrative or judicial act performed by an elected or appointed officer or employee while acting on behalf of the municipality. This term does not apply to ministerial acts or actions involving no discretion.
- E. **Public body** means any board, council, commission or committee of the municipality
- F. **Public interest** means an interest of the community as a whole, conferred generally upon all residents of the municipality.
- G. **Public officer** means a person elected or appointed to perform executive, administrative, legislative or quasi-judicial functions for the municipality or appointed to a public body.
- H. **Quasi-judicial proceeding** means a case in which the legal rights of one or more persons who are granted party status are adjudicated, which is conducted in such a way that all parties have opportunities to present evidence and to cross-examine witnesses presented by other parties, which results in a written decision, the result of which can be appealed by a party to a higher authority.
- I. **Financial interest** means a reasonably foreseeable financial effect, distinguishable from its effect on the public generally, on the Public Officer, a member of his or her immediate family, or on any of the following:
 - (a) Any business entity in which the Public Officer has a direct or indirect investment.
 - (b) Any real property in which the Public Officer has a direct or indirect interest.
 - (c) Any source of income provided or promised to the Public Officer within 12 months prior to the time when the decision is made or action is taken.
 - (d) Any business entity in which the Public Officer is a director, officer, partner, trustee, or manager.
 - (e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the Public Officer within 12 months prior to the time when the decision is made or action is taken.
- J. **Personal interest** is an outside interest that is non-financial in nature but could reasonably be considered to affect one's ability to make unbiased decisions. Personal interests are by their nature more difficult to identify, so that officials should be more aware of them in themselves and more circumspect in ascribing them to others.

Article 4. Actions Not Permitted.

- A. A public officer shall not participate in any discretionary official decision, action or inaction if he or she has a conflict of interest in the outcome of the action.
- B. A public officer shall not personally participate in a deliberation leading to an act or decision in which he or she has a conflict of interest.
- C. Public officers shall not accept gifts or other offerings for personal gain by virtue of their public office.
- D. Public officers shall not use for private gain or personal purposes public resources not available to the general public, including but not limited to Town staff time, equipment, supplies, or facilities.

Article 5. Disclosure. Candid, detailed disclosure is the single best protection against conflicts of interest. Appropriate disclosure earns the respect of the public and of fellow Public Officers. A public officer who has reason to believe that he or she has a potential conflict of interest or an appearance of such a conflict, but believes that he or she is able to act fairly, objectively and in the public interest because no actual conflict exists shall, prior to participating in any official action on the matter, disclose to the public body at a public hearing the matter under consideration, the nature of the potential or apparent conflict of interest and why he or she believes that he or she is able to act in the matter fairly, objectively and in the public interest. Notwithstanding the foregoing, an actual or potential conflict need not be disclosed if the affected public officer chooses to recuse him or herself from consideration of or deliberation on the matter, except for publicly announcing the reason for recusal is due to a conflict or its potential.

Article 6. Recusal.

- A. A public officer shall recuse him or herself from any matter in which he or she has a conflict of interest, pursuant to the following:
 - 1. Any person may request that a public officer recuse him or herself due to a perceived conflict of interest. Such request shall not constitute a requirement that the public officer recuse him or herself.
 - 2. A public officer who has recused him or herself from a proceeding shall not sit with or deliberate with the affected body, or participate in that proceeding as a member of that body in any capacity.
 - 3. Once there has been a disclosure of an actual or perceived conflict of interest, other public officers shall be afforded an opportunity to ask questions or make comments about the situation. If a previously unknown conflict is discovered, the affected body may take evidence pertaining to the conflict and, if appropriate, adjourn to a short deliberative session to address the conflict. Executive session may be used for such discussion, in accordance with 1 VSA Section 313(4).

4. The affected body may adjourn the proceedings to a time certain if, after a recusal, it may not be possible to take action through the concurrence of a majority of the body, for example due to a lack of quorum. The body may then resume the proceeding once sufficient members are present.
5. In the case of a public officer who is an appointee, the public body which appointed that public officer shall have the authority to order that officer to recuse him or herself from the matter, subject to applicable law.

Article 7. Quasi-Judicial Proceedings. A higher conflict of interest standard applies in the context of quasi-judicial decision-making. Quasi-judicial decisions are rendered in situations where the rights of a particular individual are at stake (e.g., tax appeals, vicious dog hearings, land use decisions). In those situations, the affected individual has the right to receive constitutional due process, which includes the right to an impartial decision maker. If a municipal official with a conflict of interest participates in a quasi-judicial process, a court may determine that the official was not an impartial decision maker and may vacate the decision and order the matter be reconsidered without the participation of the conflicted member. See e.g. *Appeal of Janet Cote*, 257-11-02 Vtec (2003). Therefore, Public Officers should be more inclined to recuse themselves when they are participating in a quasi-judicial process.

Article 8. Enforcement; Progressive Consequences for Failure to Follow the Town of Norwich Conflict of Interest Policy. In cases where the conflict of interest procedures in Articles 5 and 6 have not been followed, the Selectboard may take progressive action to address possible violations of this policy. In taking these actions, the board shall follow these steps in order unless the public officer voluntarily waives any or all steps A, B, or C:

- A. The chair shall meet informally, in private, with the public officer to discuss possible conflict of interest violation, so long as such meeting would not itself constitute a quorum of the relevant public body.
- B. The Selectboard may meet to discuss the conduct of the public officer. Executive session may be used for such discussion, in accordance with 1 VSA §313(4). The public officer may request that this meeting occur in public. If appropriate, the board may admonish the offending public officer in private.
- C. If the board decides that further action is warranted, the board may admonish the offending public officer at an open meeting and reflect this action in the minutes of the meeting. The public officer shall be given the opportunity to respond to the admonishment.
- D. Appointed officials of the Town may be removed for cause following procedures required in 24 VSA §4323 (for the Planning Board, unless they are elected members) 24 VSA §4460 for the (Developmental Review Board), 24 VSA §4448 for the Zoning Administrator, 24 VSA §4503 (for the Conservation Commission).
- E. All other officials appointed by the Selectboard, and not covered by a contract, may be removed by majority vote of the Selectboard, or as may otherwise be dictated by statute.

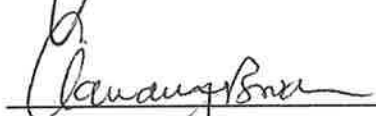
Article 9. Effective Date. This policy shall become effective immediately upon its adoption by the Town of Norwich Selectboard.



John Pepper, Chair



John Langhus



Claudette Brochu, Vice-Chair



Mary Layton



Roger Arnold

Adopted by Norwich Selectboard 4/28/10
Revised 6/23/10
Revised 7/27/11
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